

Billing Rate Calculation

Description	Rates Based Upon (Note 3)	
	Productive Hours	Assignment Hours
Salary	\$ 60,000	\$ 60,000
Employee Benefits	13,200	13,200
Total S&EB	73,200	73,200
Services & Supplies (Note 1)	5,000	5,000
Equipment (Note 2)	-	-
Other Charges (Note 1)	1,000	1,000
Total direct expenditures	79,200	79,200
Department indirect cost (use S&EB*indirect rate from Exhibit I)	13,776	13,776
Department CWCAP (use S&EB*CCWAP rate from Exhibit I)	2,538	2,538
Total costs	\$ 95,514	\$ 95,514
Hours/year base (Note 3)	1,800	1,500
Hourly billing rate	\$ 53.06	\$ 63.68

Notes:

Note 1 Direct S&S and Other Charges only. Indirect costs are recovered by indirect cost rate.

Note 2 Equipment expenditures are recovered through depreciation costs, which are included in CWCAP rate.

Note 3 Example shows the use of productive

Overview of Example:

For a position that has:

—total costs of \$95,514 (S&EB, S&S, Other, & indirect costs)

—1,800 productive hours:

1,100 hours on work assignments (billed)

400 hours on work assignments (not billed)

300 indir

Discussion:

One-sixth of the position's productive hours represents time spent on indirect work. If a base of productive hours (rather than work assignment hours) is used, these indirect costs will not be recovered by the billing rate because no primary